(b) whether it is a fact that some banks particularly State Bank of India, Parliament House Annexe Branch has so far not credited pensioners' accounts with arrears; and

(c) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Additional instalment of DA to Central Government employees w.e.f. 1st January, 2006 was granted *vide* Ministry of Finance's OM dated 29th March, 2006. The Dearness Relief to pensioners' w.e.f. from 1.1.2006 was granted by Department of pension & PW *vide* OM dated 5th April, 2006.

(b) and (c) As per Special Seal Authority (SSA) issued by the Government, the banks are authorized to arrange payment of Dearness Relief to the pensioners as and when announced by the Government. State Bank of India, Parliament House Annexe Branch, has already paid/ credited the arrears of Dearness Relief to pensioners alongwith pension for the month of May, 2006.

Agricultural loans to farmers

776. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether 29 per cent farmers of the country are still dependent on private sector for loans because agricultural loans from public sector are not easily available;

(b) if not, the details thereof;

(c) whether Government have made certain arragements under any time-bound scheme to end the dependency of farmers on the private sector;

(d) if so, the details of the schemes; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The All India Debt and Investment Survey (NSS 59 round) has revealed that the share of money lenders in total dues of rural house holds in the year 2002 was

29.6%. The Government announced a Farm Credit Package on 18.6.2004 which included doubling the flow of credit in three years time from the year of 2003-04.

The loan disbursed to Agriculture and Allied Sectors was Rs. 86,981 crores in year 2003-04 and Rs. 1,67,775 crore in the year 2005-06. The target for disbursement to the sector during 2006-07 is Rs. 1,75,000 crore which is likely to be surpassed.

<c) to (e) Guidelines on Scheme for Redemption of Debts of Farmers from Non-Institutional Sources were issued in June 2004 as part of the Farm Credit Package. Steps taken for enhancing the flow of Agriculture Credit have been effective in bringing new farmers under the fold of Institutional Credit.

An emphasis to credit link Self Help Goups (SHGs) has been made and more than 22 lakhs SHGs have been credit linked by March 2006. With a cumulitative bank credit of Rs. 11, 397.55 crores.

To enhance financial inclusion banks have been permitted to use the services of intermediaries in providing financial and banking services through the use of Business Facilitator and Business Correspondent models.

Services under Business Facilitator models may include-identification of borrowers; collection and preliminary processing of loan applications including verification of primary information/data, creating awareness about savings, etc.

The scope of activities undertaken by Business Correspondents will include-disbursal of small value credit; recovery of principal/collection of interest; collection of small value deposits, etc. This has been done to make available institutional credit to the masses.

Fiscal discipline for financial stability

777. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the RBI is advocating fiscal discipline which creates enabling conditions for monetary and financial stability;

(b) if so, the steps taken in this direction so far; and